

104TH CONGRESS
2D SESSION

H. R. 3530

To amend the Internal Revenue Code of 1986 to provide a deduction for legal expenses of individuals who bring sexual harassment suits against their employers.

IN THE HOUSE OF REPRESENTATIVES

MAY 23, 1996

Ms. LOFGREN introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide a deduction for legal expenses of individuals who bring sexual harassment suits against their employers.

1 *Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,*

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Sexual Harassment
5 Tax Equity Act of 1996”.

1 **SEC. 2. DEDUCTION FOR LEGAL EXPENSES OF INDIVID-**
2 **UALS BRINGING SEXUAL HARASSMENT SUITS**
3 **AGAINST THEIR EMPLOYERS.**

4 (a) IN GENERAL.—Part VII of subchapter B of chapter
5 1 of the Internal Revenue Code of 1986 is amended
6 by redesignating section 220 as section 221 and by insert-
7 ing after section 219 the following new section:

8 **“SEC. 220. LEGAL EXPENSES OF INDIVIDUALS BRINGING**
9 **SEXUAL HARASSMENT SUITS AGAINST THEIR**
10 **EMPLOYERS.**

11 “In the case of an individual, there shall be allowed
12 as a deduction the amount paid during the taxable year
13 for reasonable legal fees and related expenses (including
14 attorney’s fees) with respect to a sexual harassment suit
15 by such individual against an employer or former em-
16 ployer.”

17 (b) DEDUCTION ALLOWED WHETHER OR NOT TAX-
18 PAYER ITEMIZES.—Subsection (a) of section 62 of such
19 Code is amended by inserting the following new paragraph
20 after paragraph (15):

21 “(16) SEXUAL HARASSMENT SUIT LEGAL
22 COSTS.—The deduction allowed by section 220.”

23 (c) CLERICAL AMENDMENT.—The table of sections
24 for part VII of subchapter B of chapter 1 of such Code
25 is amended by striking the item relating to section 220
26 and inserting the following new items:

“Sec. 219. Legal expenses of individuals bringing sexual harassment suits against their employers.

“Sec. 220. Cross reference.”

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to suits filed after January 1,
3 1997.

